

DEPARTMENT OF VETERANS AFFAIRS

FARM AND HOME PURCHASES DIVISION

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October 29, 2007

The Honorable Charles B. Rangel
Chairman
House Ways and Means Committee
1002 Longworth HOB
Washington, DC 20515

Dear Chairman Rangel:

Thank you for helping California's veterans fulfill their dreams of home ownership by including the mortgage bond provisions of H.R. 551 in the *Heroes Earnings Assistance and Relief Tax Act of 2007*. The California Department of Veterans Affairs strongly supports your bill, which will allow California's recent war veterans to participate in our CalVet Home Loan Program.

The CalVet Home Loan Program has helped more than 420,000 veterans experience the American dream of home ownership. Since 1922, California has offered low-interest home loans to veterans in appreciation of their service to the nation primarily through the sale of voter approved, tax-exempt Qualified Veterans Mortgage Bonds and to a smaller extent through Qualified Mortgage Bonds. The states of Alaska, Oregon, Texas and Wisconsin operate similar Qualified Veterans Mortgage Bond programs, and any state can use Qualified Mortgage Bond funds for housing programs.

Over 2.2 million veterans and 200,000 service men and women reside in California. Enactment of the proposed bill will help meet the demand for low-cost loans in California's high-cost market, and ensure that those Americans who served in the Persian Gulf War, Somalia, Grenada, Panama, Kosovo, Bosnia, Afghanistan and Iraq can enjoy the same level of benefits that have been granted to their fathers and grandfathers who served in World War II, Korea and Vietnam.

Your leadership and support of the *Heroes Earnings Assistance and Relief Tax Act of 2007* is very much appreciated by the California Department of Veterans Affairs, the many veteran and industry organizations that support H.R. 551, and the veterans of California.

A handwritten signature in black ink, appearing to read "Tom Johnson".

Tom Johnson, FACHE
Secretary, California Department of Veterans Affairs